

State of South Dakota

EIGHTY-FOURTH SESSION LEGISLATIVE ASSEMBLY, 2009

951Q0241

SENATE TAXATION ENGROSSED NO. **SB 199** - 2/23/2009

Introduced by: Senators Merchant, Adelstein, Bartling, Bradford, Jerstad, and Nelson and
Representatives Cutler, Feinstein, Killer, Kirschman, Lange, and Lederman

1 FOR AN ACT ENTITLED, An Act to exempt certain food items from sales and use tax, to
2 increase the rate of taxation for the sales and use tax on certain goods and services, to
3 provide for the distribution of certain revenue to municipalities and Indian tribes, and to
4 repeal the sales tax on food refund program.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

6 Section 1. That chapter 10-45 be amended by adding thereto a NEW SECTION to read as
7 follows:

8 There are exempted from the provisions of this chapter and the computation of the tax
9 imposed by it, the gross receipts from the sale of food.

10 Section 2. That § 10-45-1 be amended to read as follows:

11 10-45-1. Terms used in this chapter mean:

12 (1) "Agricultural purposes," the producing, raising, growing, or harvesting of food or
13 fiber upon agricultural land, including dairy products, livestock, and crops. The
14 services of custom harvesters, chemical applicators, fertilizer spreaders, hay grinders,



and cultivators are considered agricultural purposes;

(1A) "Alcoholic beverages," any beverage that is suitable for human consumption and contains one-half of one percent or more of alcohol by volume;

(2) "Business," any activity engaged in by any person or caused to be engaged in by such person with the object of gain, benefit, or advantage, either direct or indirect;

(3) "Candy," any preparation of sugar, honey, or other natural or artificial sweeteners in combination with chocolate, fruits, nuts or other ingredients or flavorings in the form of bars, drops, or pieces. The term, candy, does not include any preparation containing flour ~~and does not~~. No candy may require refrigeration;

(4) "Delivery charges," charges by the retailer for preparation and delivery to a location designated by the purchaser of tangible personal property, any product transferred electronically, or services including transportation, shipping, postage, handling, crating, and packing;

(4A) "Dietary supplement," any product, other than tobacco, intended to supplement the diet that:

(a) Contains one or more of the following dietary ingredients:

(1) A vitamin;

(2) A mineral;

(3) A herb or other botanical;

(4) An amino acid;

(5) A dietary substance for use by humans to supplement the diet by increasing the total dietary intake; or

(6) A concentrate, metabolite, constituent, extract, or combination of any ingredient described in this subsection;

(b) Is intended for ingestion in tablet, capsule, powder, softgel, gelcap, or liquid form, or if not intended for ingestion in such a form, is not represented as conventional food and is not represented for use as a sole item of a meal or of the diet; and

(c) Is required to be labeled as a dietary supplement, identifiable by the supplemental facts box, found on the label and as required pursuant to 21 C.F.R. § 101.36 as of January 1, 2009;

(5) "Food" and "food ingredient," any substance, whether in liquid, concentrated, solid, frozen, dried, or dehydrated form, that is sold for ingestion or chewing by humans and is consumed for its taste or nutritional value. The term, food, does not include any alcoholic beverages beverage, tobacco, soft drink, candy, dietary supplement, or prepared food;

(5A) "Food sold through a vending machine," any food dispensed from a machine or other mechanical device that accepts payment;

(6) Repealed by SL 2007, ch 56, § 1.

(7) "Person," any individual, firm, copartnership, joint adventure, association, limited liability company, corporation, municipal corporation, estate, trust, business trust, receiver, the State of South Dakota and its political subdivisions, or any group or combination acting as a unit;

(8) "Prepared food," any food sold in a heated state or heated by the seller; two or more food ingredients mixed or combined by the seller for sale as a single item; or food sold with eating utensils provided by the seller, including plates, knives, forks, spoons, glasses, cups, napkins, or straws. A plate does not include a container or packaging used to transport the food.

Prepared food does not include food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the Food and Drug Administration in chapter 3, part 401.11 of its Food Code as of January 1, 2003, so as to prevent food borne illnesses;

(8A) "Product transferred electronically," any product obtained by the purchaser by means other than tangible storage media. A product transferred electronically does not include any intangible such as a patent, stock, bond, goodwill, trademark, franchise, or copyright.

(9) "Relief agency," the state, and county, municipality or district thereof, or any agency engaged in actual relief work;

(10) "Retail sale" or "sale at retail," any sale, lease, or rental for any purpose other than for resale, sublease, or subrent;

(11) "Retailer," any person engaged in the business of selling tangible goods, wares, or merchandise at retail, or the furnishing of gas, electricity, water, and communication service, and tickets or admissions to places of amusement and athletic events as provided in this chapter, and the sale at retail of products transferred electronically.

The term also includes any person subject to the tax imposed by §§ 10-45-4 and 10-45-5. The isolated or occasional sale of tangible personal property or any product transferred electronically at retail by a person who does not hold himself or herself out as engaging in the business of selling such tangible personal property or products transferred electronically at retail does not constitute such person a retailer;

(12) "Sale," any transfer, exchange, or barter, conditional or otherwise, in any manner or by any means whatsoever, for a consideration;

(13) "Soft drinks," any nonalcoholic beverages that contain natural or artificial sweeteners. The term, soft drinks, does not include any beverage that contains milk or milk products, soy, rice or similar milk substitutes, or greater than fifty percent of vegetable or fruit juice by volume;

(14) "Tangible personal property," personal property that can be seen, weighed, measured, felt, or touched, or that is in any other manner perceptible to the senses. The term includes electricity, water, gas, steam, and prewritten computer software;

(15) "Tobacco," any cigarettes, cigars, chewing or pipe tobacco, or any other item that contains tobacco.

Section 3. That chapter 10-46 be amended by adding thereto a NEW SECTION to read as follows:

There are exempted from the provisions of this chapter and the computation of the tax imposed by it, the use or consumption of food.

Section 4. That § 10-46-1 be amended to read as follows:

10-46-1. Terms, as used in this chapter mean:

(1) "Business," any activity engaged in by any person or caused to be engaged in by such person with the object of gain, benefit or advantage either direct or indirect;

(1A) "Alcoholic beverages," any beverage that is suitable for human consumption and contains one-half of one percent or more of alcohol by volume;

(2) "Candy," any preparation of sugar, honey, or other natural or artificial sweeteners in combination with chocolate, fruits, nuts or other ingredients or flavorings in the form of bars, drops, or pieces. The term, candy, does not include any preparation containing flour ~~and does not~~. No candy may require refrigeration;

(3) "Delivery charges," charges by the retailer for preparation and delivery to a location

designated by the purchaser of tangible personal property, any product transferred electronically, or services including transportation, shipping, postage, handling, crating, and packing;

(3A) "Dietary supplement," any product, other than tobacco, intended to supplement the diet that:

(a) Contains one or more of the following dietary ingredients:

(1) A vitamin;

(2) A mineral;

(3) A herb or other botanical;

(4) An amino acid;

(5) A dietary substance for use by humans to supplement the diet by increasing the total dietary intake; or

(6) A concentrate, metabolite, constituent, extract, or combination of any ingredient described in this subsection;

(b) Is intended for ingestion in tablet, capsule, powder, softgel, gelcap, or liquid form, or if not intended for ingestion in such a form, is not represented as conventional food and is not represented for use as a sole item of a meal or of the diet; and

(c) Is required to be labeled as a dietary supplement, identifiable by the supplemental facts box, found on the label and as required pursuant to 21 C.F.R. § 101.36 as of January 1, 2009;

(4) "Fair market value," the price at which a willing seller and willing buyer will trade. Fair market value shall be determined at the time of purchase. If a public corporation is supplying tangible personal property or any product transferred electronically that

will be used in the performance of a contract, fair market value shall be determined pursuant to § 5-18-5.1. This definition also applies to chapter 10-45;

(5) "Food" and "food ingredient," any substance, whether in liquid, concentrated, solid, frozen, dried, or dehydrated form, that is sold for ingestion or chewing by humans and is consumed for its taste or nutritional value. The term, food, does not include any alcoholic beverages beverage, tobacco, soft drink, candy, dietary supplement, or prepared food;

(5A) "Food sold through a vending machine," any food dispensed from a machine or other mechanical device that accepts payment;

(6) "Included in the measure of tax," the tangible personal property, any product transferred electronically, or the service was purchased from a retailer licensed under chapter 10-45 and that retailer has included the tax in the amount received from the sale;

(7) "In this state" or "in the state," within the exterior limits of the State of South Dakota and includes all territory within such limits owned by or ceded to the United States of America;

(8) "Prepared food," any food sold in a heated state or heated by the seller; two or more food ingredients mixed or combined by the seller for sale as a single item; or food sold with eating utensils provided by the seller, including plates, knives, forks, spoons, glasses, cups, napkins, or straws. A plate does not include a container or packaging used to transport the food.

Prepared food does not include food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the Food and Drug

1 Administration in chapter 3, part 401.11 of its Food Code as of January 1, 2003, so
2 as to prevent food borne illnesses;

3 (8A) "Product transferred electronically," any product obtained by the purchaser by means
4 other than tangible storage media. A product transferred electronically does not
5 include any intangible such as a patent, stock, bond, goodwill, trademark, franchise,
6 or copyright.

7 (9) "Purchase," any transfer, exchange, or barter, conditional or otherwise, in any manner
8 or by any means whatsoever, for a consideration. A transaction, whereby the
9 possession of property is transferred but the seller retains the title as security for the
10 payment of the price, is a purchase;

11 (10) "Purchase price," shall have the same meaning as gross receipts defined in chapter
12 10-45;

13 (11) "Retailer," any person performing services in this state or engaged in the business of
14 selling tangible personal property or products transferred electronically for use,
15 storage or other consumption within the meaning of this chapter. However, if in the
16 opinion of the secretary of revenue and regulation, it is necessary for the efficient
17 administration of this chapter to regard any salesmen, representatives, truckers,
18 peddlers, or canvassers as agents of the dealers, distributors, supervisors, employers,
19 or persons under whom they operate or from whom they obtain the tangible personal
20 property or any product transferred electronically sold by them irrespective of
21 whether they are making sales on their own behalf or on behalf of such dealers,
22 distributors, supervisors, employers, or persons, the secretary of revenue and
23 regulation may so regard them and may regard the dealers, distributors, supervisors,
24 employers, or persons as retailers for purposes of this chapter;

1 (12) "Retailer maintaining a place of business in the state," any retailer having or
2 maintaining within this state, directly or by a subsidiary, an office, distribution house,
3 sales house, warehouse, or other place of business, or any agents operating within the
4 state under the authority of the retailer or its subsidiary, irrespective of whether such
5 place of business or agent is located here permanently or temporarily or whether such
6 retailer or subsidiary is admitted to do business within this state pursuant to the laws
7 of the State of South Dakota granting the rights of foreign corporations to do business
8 in this state;

9 (13) "Secretary," the secretary of the Department of Revenue and Regulation or any duly
10 authorized and appointed assistant, deputies, or agents of the secretary charged with
11 the administration or enforcement of this chapter;

12 (14) "Soft drinks," any nonalcoholic beverages that contain natural or artificial
13 sweeteners. The term, soft drinks, does not include any beverage that contains milk
14 or milk products, soy, rice or similar milk substitutes, or greater than fifty percent of
15 vegetable or fruit juice by volume;

16 (15) "Storage," any keeping or retention in this state for use or other consumption in the
17 State of South Dakota for any purpose except sale in the regular course of business;

18 (16) "Tangible personal property," personal property that can be seen, weighed, measured,
19 felt, or touched, or that is in any other manner perceptible to the senses if furnished
20 or delivered to consumers or users within this state. The term includes electricity,
21 water, gas, steam, and prewritten computer software;

22 (16A) "Tobacco," any cigarettes, cigars, chewing or pipe tobacco, or any other item that
23 contains tobacco;

24 (17) "Use," the exercise of right or power over tangible personal property or any product

1 transferred electronically incidental to the ownership of that property, except that it
2 does not include the sale of that property in the regular course of business. Use also
3 includes the use of the types of services, the gross receipts from the sale of which are
4 to be included in the measure of the tax imposed by chapter 10-45, and the delivery
5 or causing delivery into this state of tangible personal property or any product
6 transferred electronically intended to advertise any product or service or promote or
7 facilitate any sale to South Dakota residents.

8 Section 5. That § 10-45-2 be amended to read as follows:

9 10-45-2. There is hereby imposed a tax upon the privilege of engaging in business as a
10 retailer, a tax of four and three-tenths percent upon the gross receipts of all sales of tangible
11 personal property consisting of goods, wares, or merchandise, except as otherwise provided in
12 this chapter, sold at retail in the State of South Dakota to consumers or users.

13 Section 6. That § 10-45-5 be amended to read as follows:

14 10-45-5. There is imposed a tax at the rate of four and three-tenths percent upon the gross
15 receipts of any person from engaging or continuing in any of the following businesses or
16 services in this state: abstracters; accountants; architects; barbers; beauty shops; bill collection
17 services; blacksmith shops; car washing; dry cleaning; dyeing; exterminators; garage and service
18 stations; garment alteration; cleaning and pressing; janitorial services and supplies; specialty
19 cleaners; laundry; linen and towel supply; membership or entrance fees for the use of a facility
20 or for the right to purchase tangible personal property, any product transferred electronically,
21 or services; photography; photo developing and enlarging; tire recapping; welding and all repair
22 services, except farm machinery, farm attachment units, or irrigation equipment repair services;
23 cable television; and rentals of tangible personal property except leases of tangible personal
24 property between one telephone company and another telephone company, motor vehicles as

1 defined by § 32-5-1 leased under a single contract for more than twenty-eight days and mobile
2 homes. However, the specific enumeration of businesses and professions made in this section
3 does not, in any way, limit the scope and effect of § 10-45-4.

4 Section 7. That § 10-45-5.3 be amended to read as follows:

5 10-45-5.3. There is imposed, at the rate of four and three-tenths percent, an excise tax on
6 the gross receipts of any person engaging in oil and gas field services (group no. 138) as
7 enumerated in the Standard Industrial Classification Manual, 1987, as prepared by the Statistical
8 Policy Division of the Office of Management and Budget, Office of the President.

9 Section 8. That § 10-45-6 be amended to read as follows:

10 10-45-6. There is hereby imposed a tax of four and three-tenths percent upon the gross
11 receipts from sales, furnishing, or service of gas, electricity, and water, including the gross
12 receipts from such sales by any municipal corporation furnishing gas, and electricity, to the
13 public in its proprietary capacity, except as otherwise provided in this chapter, when sold at
14 retail in the State of South Dakota to consumers or users.

15 Section 9. That § 10-45-6.1 be amended to read as follows:

16 10-45-6.1. Except as provided in § 10-45-6.2, there is hereby imposed a tax of four and
17 three-tenths percent upon the gross receipts from providing any telecommunication service that
18 originates or terminates in this state and that is billed or charged to a service address in this
19 state, or that both originates and terminates in this state. However, the tax imposed by this
20 section does not apply to:

- 21 (1) Any eight hundred or eight hundred type service unless the service both originates
22 and terminates in this state;
- 23 (2) Any sale of a telecommunication service to a provider of telecommunication
24 services, including access service, for use in providing any telecommunication

1 service; or

2 (3) Any sale of interstate telecommunication service provided to a call center that has
3 been certified by the secretary of revenue to meet the criterion established in § 10-45-
4 6.3 and the call center has provided to the telecommunications service provider an
5 exemption certificate issued by the secretary indicating that it meets the criterion.

6 If a call center uses an exemption certificate to purchase services not meeting the criterion
7 established in § 10-45-6.3, the call center is liable for the applicable tax, penalty, and interest.

8 Section 10. That § 10-45-6.2 be amended to read as follows:

9 10-45-6.2. There is hereby imposed a tax of four and three-tenths percent upon the gross
10 receipts of mobile telecommunications services, as defined in 4 U.S.C. § 124(7) as of January
11 1, 2002, that originate and terminate in the same state and are billed to a customer with a place
12 of primary use in this state or are deemed to have originated or been received in this state and
13 to be billed or charged to a service address in this state if the customer's place of primary use
14 is located in this state regardless of where the service actually originates or terminates.
15 Notwithstanding any other provision of this chapter and for purposes of the tax imposed by this
16 section, the tax imposed upon mobile telecommunication services shall be administered in
17 accordance with 4 U.S.C. §§ 116-126 as in effect on July 28, 2000.

18 Section 11. That § 10-45-8 be amended to read as follows:

19 10-45-8. There is imposed a tax of four and three-tenths percent upon the gross receipts from
20 all sales of tickets or admissions to places of amusement and athletic contests or events, except
21 as otherwise provided in this chapter.

22 Section 12. That § 10-45-71 be amended to read as follows:

23 10-45-71. There is imposed a tax of four and three-tenths percent on the gross receipts from
24 the transportation of passengers. The tax imposed by this section shall apply to any

1 transportation of passengers if the passenger boards and exits the mode of transportation within
2 this state.

3 Section 13. That § 10-46-2.1 be amended to read as follows:

4 10-46-2.1. For the privilege of using services in South Dakota, except those types of services
5 exempted by § 10-46-17.3, there is imposed on the person using the service an excise tax equal
6 to four and three-tenths percent of the value of the services at the time they are rendered.
7 However, this tax may not be imposed on any service rendered by a related corporation as
8 defined in subdivision 10-43-1(11) for use by a financial institution as defined in subdivision
9 10-43-1(4) or on any service rendered by a financial institution as defined in subdivision 10-43-
10 1(4) for use by a related corporation as defined in subdivision 10-43-1(11). For the purposes of
11 this section, the term related corporation includes a corporation which together with the
12 financial institution is part of a controlled group of corporations as defined in 26 U.S.C. § 1563
13 as in effect on January 1, 1989, except that the eighty percent ownership requirements set forth
14 in 26 U.S.C. § 563(a)(2)(A) for a brother-sister controlled group are reduced to fifty-one
15 percent. For the purpose of this chapter, services rendered by an employee for the use of his
16 employer are not taxable.

17 Section 14. That § 10-46-2.2 be amended to read as follows:

18 10-46-2.2. An excise tax is imposed upon the privilege of the use of rented tangible personal
19 property and any product transferred electronically in this state at the rate of four and three-
20 tenths percent of the rental payments upon the property.

21 Section 15. That § 10-46-58 be amended to read as follows:

22 10-46-58. There is imposed a tax of four and three-tenths percent on the privilege of the use
23 of any transportation of passengers. The tax imposed by this section shall apply to any
24 transportation of passengers if the passenger boards and exits the mode of transportation within

1 this state.

2 Section 16. That § 10-46-69 be amended to read as follows:

3 10-46-69. There is hereby imposed a tax of four and three-tenths percent upon the privilege
4 of the use of mobile telecommunications services, as defined in 4 U.S.C. § 124(7) as of January
5 1, 2002, that originate and terminate in the same state and are billed to a customer with a place
6 of primary use in this state. Notwithstanding any other provision of this chapter and for purposes
7 of the tax imposed by this section, the tax imposed upon mobile telecommunication services
8 shall be administered in accordance with 4 U.S.C. §§ 116-126 as in effect on July 28, 2000.

9 Section 17. That § 10-52-2 be amended to read as follows:

10 10-52-2. Any incorporated municipality within this state may impose any non-ad valorem
11 tax in accordance with the provisions of this chapter, except upon fuel used for motor vehicles,
12 by ordinance enacted by its local governing board. However, no tax may be levied on the sale,
13 use, storage and consumption of items taxed under chapters 10-45 and 10-46, unless such tax
14 conforms in all respects to the state tax on such items with the exception of the rate, and the rate
15 levied does not exceed two and fifteen-hundredths percent.

16 Section 18. Any retailer required to file a return and remit the tax imposed by chapter 10-45
17 who sells any item defined as food pursuant to subdivision 10-45-1(5) shall report the gross
18 receipts from the sale of food when the retailer files its return with the department. Within
19 ninety days after the return is filed, the department shall distribute an amount of money to each
20 municipality that imposes a tax pursuant to chapter 10-52. The amount of money distributed to
21 each municipality shall be equal to the gross receipts from the sale of food in the municipality
22 times the rate of taxation imposed by the municipality pursuant to chapter 10-52.

23 Section 19. Any retailer required to file a return and remit the tax imposed by chapter 10-46
24 who uses any item defined as food pursuant to subdivision 10-46-1(5) shall report the gross

1 receipts from the use of food when the retailer files its return with the department. Within ninety
2 days after the return is filed, the department shall distribute an amount of money to each
3 municipality that imposes a tax pursuant to chapter 10-52. The amount of money distributed to
4 each municipality shall be equal to the gross receipts from the use of food in the municipality
5 times the rate of taxation imposed by the municipality pursuant to chapter 10-52.

6 Section 20. Within ninety days after the return is filed pursuant to sections 17 and 18 of this
7 Act, the department shall distribute an amount of money to each Indian tribe that has entered
8 into a tax collection agreement that covers sales and use tax. The amount of money distributed
9 to each Indian tribe shall be equal to the gross receipts from the sales and use of food in the area
10 defined by the tax collection agreement times the percentage of such taxes remitted to the tribe
11 times four percent.

12 Section 21. That § 28-1-70 be repealed.

13 ~~—28-1-70. There is established the sales tax on food refund program to be administered by the~~
14 ~~Department of Social Services. The purpose of the program is to provide sales tax refunds on~~
15 ~~food for purchases made in accordance with chapters 10-45 and 10-46 to South Dakota families~~
16 ~~who need it most.~~

17 Section 22. That § 28-1-71 be repealed.

18 ~~—28-1-71. To be eligible for the sales tax on food refund program, a person shall:~~

19 ~~—(1)—Be a South Dakota resident;~~

20 ~~—(2)—Be the head of the household and certify the number of persons in the household;~~

21 ~~—(3)—Have countable income at or below one hundred fifty percent of the federal poverty~~
22 ~~level, as updated annually by the Department of Social Services in administrative~~
23 ~~rules promulgated pursuant to chapter 1-26.~~

24 Section 23. That § 28-1-72 be repealed.

1 ~~28-1-72. The Department of Social Services shall promulgate rules, pursuant to chapter 1-~~
2 ~~26, relating to:~~

- 3 ~~(1) Eligibility criteria;~~
4 ~~(2) Refund amounts or levels;~~
5 ~~(3) Payment provisions;~~
6 ~~(4) Household reporting requirements; and~~
7 ~~(5) Recoveries.~~

8 Section 24. That § 28-1-73 be repealed.

9 ~~28-1-73. To receive sales tax on food refunds pursuant to §§ 28-1-70 to 28-1-77, inclusive,~~
10 ~~a household shall:~~

- 11 ~~(1) Apply for a quarterly refund on forms prescribed by the Department of Social~~
12 ~~Services using the prior three month periods's income;~~
13 ~~(2) Certify that any refund received will only be used to purchase food as defined in~~
14 ~~§§ 10-45-1 and 10-46-1; and~~
15 ~~(3) Report quarterly on forms prescribed by the Department of Social Services to~~
16 ~~continue eligibility for a refund.~~

17 Section 25. That § 28-1-74 be repealed.

18 ~~28-1-74. At the time in which a household has been accepted into the sales tax on food~~
19 ~~refund program, the household is entitled to a quarterly refund of the estimated amount of sales~~
20 ~~tax on food paid as determined in § 28-1-75.~~

21 Section 26. That § 28-1-75 be repealed.

22 ~~28-1-75. The estimate of sales tax on food paid or refund awarded under this program shall~~
23 ~~be determined based on:~~

- 24 ~~(1) The thrifty food plan as adopted and updated annually in administrative rules~~

1 promulgated by the Department of Social Services pursuant to chapter 1-26; and

2 ~~—(2)—The number of individuals in the household.~~

3 ~~—A monthly allotment shall be determined based on the thrifty food plan's maximum~~
4 ~~allotment and the corresponding number of individuals in the household. Once the monthly~~
5 ~~allotment is determined, it shall be annualized and multiplied by the average sales tax rate in~~
6 ~~South Dakota as determined by the Department of Revenue and Regulation. This shall be the~~
7 ~~annual level of refund eligible for the household. The annual refund shall be converted to a~~
8 ~~quarterly refund. This shall be the amount of eligible refund to the household.~~

9 Section 27. That § 28-1-76 be repealed.

10 ~~—28-1-76. If a household is a participant in the food stamp program administered by the~~
11 ~~Department of Social Services under chapter 28-12 for any of the period in which a refund is~~
12 ~~computed under § 28-1-75, those food stamp benefits shall be deducted from any refund~~
13 ~~received under the provisions of §§ 28-1-70 to 28-1-77, inclusive.~~

14 Section 28. That § 28-1-77 be repealed.

15 ~~—28-1-77. The method of payment utilized to make payments authorized by §§ 28-1-70 to 28-~~
16 ~~1-77, inclusive, shall be made by electronic debit card or by paper warrant.~~